Export of Rice

3844. SHRI KHAGEN DAS : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have decided to export 30 lakh tonnes of rice during the current financial year;

(b) if so, what would be the export price; and

(c) the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH) : (a) to (c) As per Exim Policy, the export of rice (both basmati and non-basmati) is allowed freely subject to registration of contracts with Agricultural and Processed Food Products Exports Development Authority (APEDA). However, in order to liquidate the huge surplus stocks of foodgrains, with the FCI, the Government has also decided to permit export of 30 lakh MT of rice out of the stocks held by FCI for the Central Pool during the year 2001-02. The export price of rice is fixed after taking into consideration the international demand and supply position, domestic demand and supply position, international and domestic prices by the High Level Committee.

Decline in Automobile Export

3845. SHRI RAJNATH SINGH 'SURYA' : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

((a) whether the automobile export has declined during the first three months of the current financial year;

(b) if so, the reasons, therefor;

(c) the segment of automobile which constitutes the major share in total export; and

(d) the steps taken for increasing the share of autotmobile export during the rest of the months?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH) : (a) Yes, Sir.

(b) The decline in the export of automobiles is mainly due to the overall slowdown in world economy which has resulted in contraction in demand in the major export markets for automobiles. In addition, competition from major

manufacturing countries namely Japan, Malayasia has also contributed to the negative trend of exports.

(c) The two-wheeler segment constitutes the major share in total exports.

(d) There is no exclusive scheme for promotion of export of autotmobiles. However, the promotion of export of engineering goods including automobiles has been the constant endeavour of the Government. Measures to increase the export of engineering goods including automobiles consist of various provisions under the Export-Import Policy including, *inter alia*, Duty Exemption Scheme, Export Promotion Capital Goods Scheme, Duty Draw back Scheme, Exemption under Section 80HHC of Income Tax Act, Assistance from Market Development Fund etc. Engineering Export Promotion Council (EEPC) provides support through various activities with a view to promoting exports of engineeing goods including automobiles to various markets.

China's Entry into WTO

3846. SHRI P. PRABHAKAR REDDY : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether Government's attention has been drawn to the news-item captioned "China's WTO entry a challenge to exporters" which appeared in the Newstime dated the 30th July, 2001;

(b) if so, what is Government's reaction thereto; and

(c) the steps proposed to be taken to address the problems highlighted in the news-item so as to protect the interests of Indian exporters adequately?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH) :(a) Yes, Sir.

(b) and (c) During the accession process to WTO the acceding Member grants concessions to the existing Members on a non-reciprocal basis and these are available to India as well. Thus, China's accession provides opportunities to Indian exporters, implicit in the commitments of China on tariff and non-tariff measures in its Protocol and the Schedules on Goods and Services, which will be binding on China. Upon its accession to the WTO, existing Members of the WTO, including India, would also be obliged to grant to China all the rights in accordance with their commitments under the WTO Agreement. Indian exporters would need to keep this in mind when evolving their trade and marketing strategies.